

VZCZCXYZ0000
PP RUEHWEB

DE RUEHTV #2413/01 3031017
ZNR UUUUU ZZH
P 291017Z OCT 08
FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC PRIORITY 8922
RHEHAAA/WHITE HOUSE WASHDC PRIORITY
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY
RUEADWD/DA WASHDC PRIORITY
RHMFIUU/CNO WASHINGTON DC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 4542
RUEHAS/AMEMBASSY ALGIERS PRIORITY 1145
RUEHAM/AMEMBASSY AMMAN PRIORITY 4921
RUEHAK/AMEMBASSY ANKARA PRIORITY 5344
RUEHLB/AMEMBASSY BEIRUT PRIORITY 4561
RUEHEG/AMEMBASSY CAIRO PRIORITY 2934
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 5324
RUEHLO/AMEMBASSY LONDON PRIORITY 2180
RUEHFR/AMEMBASSY PARIS PRIORITY 0405
RUEHRB/AMEMBASSY RABAT PRIORITY 9140
RUEHRO/AMEMBASSY ROME PRIORITY 6629
RUEHRH/AMEMBASSY RIYADH PRIORITY 1556

RUEHTU/AMEMBASSY TUNIS PRIORITY 5642
RUCNDT/USMISSION USUN NEW YORK PRIORITY 7617
RUEHJI/AMCONSUL JEDDAH PRIORITY 0470
RUEHJM/AMCONSUL JERUSALEM PRIORITY 0685
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 002413

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

SIPDIS
E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- [1](#)1. Mideast
- [1](#)2. U.S. Elections
- [1](#)3. Global Financial Crisis

Key stories in the media:

The media reported that Knesset faction leaders decided yesterday to set the date for general elections on February 10. HaQaretz reported that Kadima Chairwoman Tzipi Livni and Labor Chairman Ehud Barak are beginning their struggle for the support of left-wing voters, with part of the focus being their disagreement over the Arab peace initiative. Barak, the defense minister, has proposed that Israel use the initiative as a basis for negotiations, to smooth the way for both the Palestinians and the Syrians to make concessions. He also assumes that Israelis are willing to make concessions in exchange for a comprehensive peace. President Shimon Peres also supports this view, although his position as head of state precludes his taking an active role in political discourse. FM Livni does not oppose the Arab peace initiative, but believes that efforts must focus directly on the Palestinian track. Livni has disparaged Barak's approach, calling it, in private conversation, an "attempt to seek a diplomatic agenda for himself and the Labor Party." HaQaretz also quoted Livni as saying privately, "I'm for world peace and regional harmony, too; who isn't? But is it realistic?"

HaQaretz reported that Livni has not abandoned the regional arena. On November 12, she will take part in New York in an interreligious summit hosted by Saudi King Abdullah and UN Secretary General Ban Ki-moon, with the participation of President Bush. King Abdullah is the architect of the original Arab peace initiative, and also oversaw its reaffirmation last year at the Riyadh Summit. Yediot noted that this is the first time that Saudi Arabia has invited Israel to a conference.

All media reported that Knesset Member Dr. Yossi Beilin, who was chairman of the Meretz-Yahad party until a year ago, announced yesterday that he is quitting politics and will resign from the Knesset in the next few days. Beilin was quoted as saying that he plans to go into business, although HaQaretz quoted sources close to him as saying that he will continue to be involved in public life and promote the Geneva peace initiative, of which he was a key architect.

The Jerusalem Post reported that Assistant Secretary of State for International Organizations Brian Hook told the newspaper yesterday that the UN should set up an Iran sanctions committee to help identify Qcheaters and spoilersQ who are not complying with UN Security sanctions.

The Jerusalem Post reported that Harvard Law Professor Alan Dershowitz is defending a possible Democratic Obama administration to conservative Jews who argued that anyone who was worried about Israel should be for John McCain. Maariv reported that the economic situation will determine the vote of American expatriates in Israel, as 41.2% of those would choose Obama over McCain (36.1%). The Jerusalem Post reported that yesterday hundreds of expatriates voted in Jerusalem for next week's presidential elections.

The Jerusalem Post quoted PM Olmert as saying in this speech to the Knesset his week that he is intent on running Israel Qwith the same sense of responsibility and prudence with which I have acted so far until his successor is elected. The newspaper reported that in his address, Likud leader Benjamin Netanyahu asked why Livni's coalition is repelling Iran's nuclear threat with one hand while bringing Iran's terror threat closer with the other. Peres called for rehabilitation, healing, and unity. The ultra-Orthodox Yated NeQeman reported that Peres hinted yesterday that disengagement had been a failure.

HaQaretz quoted Palestinian Authority security officials as saying that the tunnel near Hebron uncovered about two weeks ago by the PA was used by Hamas as a firing range and for other weapons training. The discovery of the tunnel is indicative of the kind of pressure the PA security forces are putting on the military wing of Hamas. The revelation of the tunnel caught by surprise Israeli security officials, who reportedly agree with the PA's evaluation of its purpose.

The Jerusalem Post reported that yesterday the High Court of Justice agreed to give the state 90 days to test out changes in a military regulation regarding Palestinians prohibited from traveling abroad because Shin Bet regards them as security threats. The regulation was originally introduced in January in response to a petition filed

two years ago by the Association for Civil Rights and Moked Defense of the Individual.

The Jerusalem Post reported that Syria is keeping a close eye on the outcome of the upcoming U.S. presidential and Israeli elections, particularly after Sunday's U.S. raid on a Syrian compound raised questions about the future of U.S.-Syrian relations and American foreign policy in the region. The newspaper also reported that British FM David Milliband has decided to work with his Syrian counterpart to promote stability in the region.

Maariv reported that yesterday the residents of the village of Ghajar, which straddles the Israel-Lebanon border, asked the UNIFIL commander and the Assistant UN Secretary General to try to remove the uncertainty surrounding their future.

Yediot reported that a police officer from the fraud unit, who is conducting a judicial inquiry in the U.S., is probing the possibility that PM Ehud Olmert received an illegal loan from Israeli-American businessman Joe Elmaleh that was not reported to the State Comptroller's Office.

HaQaretz reported that Israel has decided to prevent an additional group of left-wing activists from reaching Gaza by sea. About 20 passengers, most of them members of the Free Gaza organization, are expected to set sail for the Strip on Wednesday from Cyprus. MK Jamal Zahalka (Balad Q National Democratic Assembly) will most likely be aboard along with 1976 Nobel Peace Prize laureate Mairead Corrigan. Other media reported on the planned embarkation.

Leading media reported that Kadima will not give Transportation Minister Shaul Mofaz a safe second spot on the party's election list.

Maariv reported on the number of lists representing political parties in the upcoming municipal elections: Kadima: 120; Shas: 90; Labor Party: 73; Likud: 50; Green Party: 30; Meretz: 50; Yisrael Beiteinu: 8.

The Jerusalem Post reported that the PA has joined a seven-fold electric power grid, which will allow it to become less dependent on Israeli supplies of electricity within four years. Maariv reported that Shas leader and Industry, Trade, and Employment Minister Eli Yishai aspires to become education minister. He was quoted as saying with frustration that Israeli children know that the Four Mothers organization initiated the Israeli withdrawal from Lebanon but they are unable to name the QFour MothersQ of Jewish religious tradition.

Yediot reported that American real estate mogul Donald Trump is considering building a hotel in Eilat.

1. Mideast:

Summary:

Professor Manfred Gerstenfeld wrote in the nationalist, Orthodox Makor Rishon-Hatzofe: QIt would be better to turn things around and watch the Palestinians act to create a peace atmosphere first.

Block Quotes:

"The Israeli Elections and the Lessons of Oslo"

Professor Manfred Gerstenfeld wrote in the nationalist, Orthodox Makor Rishon-Hatzofe (10/29): QToday's negotiators do not demonstrate that they learned anything from the huge failures of their predecessors.... The simplest lesson from the failures of the Oslo people is that instead of first making concessions and seeing how the Palestinians will behave, it would be better to turn things around and watch the Palestinians act to create a peace atmosphere first.

12. U.S. Elections:

Summary:

Columnist Michael Freund, who was an assistant to former prime minister Benjamin Netanyahu, wrote in the conservative, independent Jerusalem Post: QObama makes Tehran, Tripoli, and Gaza convulse with excitement, and that alone should make the rest of us shudder with fear.

Block Quotes:

"Look Who's Rooting for Obama"

Columnist Michael Freund, who was an assistant to former prime minister Benjamin Netanyahu, wrote in the conservative, independent Jerusalem Post (10/29): QWhat do Iran's ayatollahs, Hamas terrorists, Louis Farrakhan, Jesse Jackson, and Libyan dictator Muammar Qadhafi have in common? They are all pulling for Barack Obama to win the U.S. presidential election. When Israel's disparate foes manage to rally behind a single candidate, it should set off alarm bells for anyone who cares about the Jewish state. If you think this is just Republican scaremongering, consider the following.... [Recent expressions of support by prominent Iranian and Hamas spokesmen are] two clear expressions of preference for Obama from two of the leading anti-Israel and anti-Western forces in the Middle East. Both the Iranian regime and the Hamas terrorist organization view Obama in a positive light and hope he will be elected. Their enthusiasm for the senator from Illinois is shared by a number of other long-time enemies of the Jewish state on both sides of the Atlantic.... Normally, one would expect that such a motley collection of rogues would be enough to send shivers down the spine of even the most spineless of voters. In the end, who wants to be cheering for the same outcome as Qadhafi and Farrakhan? Nonetheless, if two recent polls are to be believed, Obama seems poised to capture a significant majority of the Jewish vote.... The bottom line is that Obama makes Tehran, Tripoli, and Gaza convulse with excitement, and that alone should make the rest of us shudder with fear.

13. Global Financial Crisis:

Summary:

Dr. Ofir Haivri of the Shalem Center wrote in the mass-circulation, pluralist Yediot Aharonot: QAs long as no country or viewpoint offers an alternative to [the American] spirit, the U.S. will continue to lead.

Block Quotes:

"The U.S. Will Continue to Lead"

Dr. Ofir Haivri of the Shalem Center wrote in the mass-circulation, pluralist Yediot Aharonot (10/29): QAgainst the background of the global financial crisis, there are increasing voices heralding the imminent twilight of America's total economic, political, and cultural supremacy. But the most relevant answer to that would be Mark Twain's remark: QThe reports of my death are greatly exaggeratedQ. Despite tremendous changes that have intervened in the United States over generations, the characteristics [of its culture] have remained constant. At present, they will not cease to influence the American spirit. As long as no country or viewpoint offers an alternative to that spirit, the U.S. will continue to lead.

CUNNINGHAM